

City of Detroit

CITY COUNCIL

IRVIN CORLEY, JR.
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FISCAL ANALYSIS DIVISION
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ANNE MARIE LANGAN
DEPUTY DIRECTOR
(313) 224-1078

TO: COUNCILMEMBERS

FROM: Irvin Corley, Jr., Director *ICJ*
Derrick Headd, Fiscal Staff Analyst *DH*

DATE: October 2, 2009

RE: Recreation Department Contract Nos. **2798602, 2799257, 2797973, 2798606, & 2798610**

At the October 1, 2009 meeting of the Neighborhood and Community Services Standing Committee, Council President Pro-Tem Watson asked Fiscal Analysis Division to answer the questions raised at the Council's Formal Session of September 22, 2009, regarding five Recreation Department contracts (Nos. 2798602, 2799257, 2797973, 2798606, & 2798610).

During the September 22nd Formal Session, Councilmember Sheila Cockrel asked if the contracts at issue were a priority for the department in light of the City's current fiscal situation. In addition, it had recently come to light that the department was reducing some of its recreational activities. Due to these issues, Councilmember Sheila Cockrel asked that these contracts be held pending answers to the questions. The five contracts totaling **\$1,975,000** are detailed below. This total includes **\$500,000** in State funds, comprised of a grant that provides 51% of the funding for one of the contracts (No. 2798610), thereby resulting in an overall expenditure of **\$1,475,000 in City funding**:

Contract No. 2798602 - 100% City Funding – To provide Wingle Playlot Improvements – CAASTI Contracting Service, Inc., 243 W. Congress, Ste. 1040, Detroit, MI 48226 – Contract Period: Upon Notice to Proceed – Until Completion of the Project – Contract Amount Not to Exceed: **\$200,000. RECREATION**

Contract No. 2799257 - 100% City Funding – To provide Patton Park – 2009 Playground Improvements – CAASTI Contracting Service, Inc., 243 W. Congress, Ste. 1040, Detroit, MI 48226 – Contract Period: Upon Notice to Proceed – Until Completion of the Project – Contract Amount Not to Exceed: **\$215,000. RECREATION**

Contract No. 2797973 - 100% City Funding – To provide Belle Isle-Scott Fountain Renovations – Grunwell-Cashero Co., 1041 Major, Detroit, MI 48217 – Contract Period: Upon Notice to Proceed – Until Completion of the Project – Contract Amount Not to Exceed: **\$300,000. RECREATION**

Contract No. 2798606 – 100% City Funding – To provide Kern Playground Renovations – WCI Contractors Inc., 20210 Conner, Detroit, MI 48234 – Contract Period: Upon Notice to Proceed – Until Completion of the Project – Contract Amount Not to Exceed: **\$275,000. RECREATION**

Contract No. 2798610 – **51% State Funding**, 49% City Funding – To provide Butzel Playfield – Design/Build Renovations – KEO & Associates Inc., 18286 Wyoming, Detroit, MI 48221 – Contract Period: Upon Notice to Proceed – Until Completion of the Project – Contract Amount Not to Exceed: **\$985,000. RECREATION**

Conclusion

According to the Recreation Department, the source of the City funding for these contracts (\$1,475,000) is allocated from the Recreation Department's General Fund Cost Center 11663-395700, comprised the department's allocation of Casino Revenue funding. The funding for the five contracts at issue was reserved from the department's 2008-'09 budget. The remaining \$500,000 allocation is as we stated earlier, derived from grant funding from the State of Michigan, the second State \$500,000 grant for improvements to the Butzel Playfield.

The department believes the capital improvements involved are a high priority for the department. Given that the City funding for the aforementioned contracts was derived from 2008-09 Casino revenue dollars for the department's capital expenditures, we believe it is appropriate for Council to release the hold on the five contracts.

Please contact us if we can be of any further assistance.

Attachment

cc: Council Divisions
Auditor General's Office
Norman White, Chief Financial Officer, Finance Department
Pam Scales, Budget Department
Donna McAlister, Budget Department
Alicia Minter, Recreation Department
Kamau Marable, Mayor's Office

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City of Detroit
CITY COUNCIL

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October 1, 2009

Mr. David Whitaker, Director
City Council Research and Analysis Division

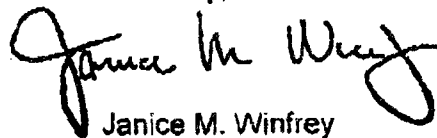
Mr. Irvin Corley, Director
City Council Fiscal Analysis Division

**RE: CONTRACT NOS. 2798602, 2799257, 2797973, 2798606 AND
2798610**

During the Neighborhood and Community Services Standing Committee meeting on October 1, 2009, City Council referred the above contracts to your offices for review and report as indicated in the highlighted clerk's notes.

Please submit a report to the City Clerk's Office prior to **THURSDAY, OCTOBER 8, 2009**, as this matter is scheduled to appear as a line item on the committee's calendar for that date.

Sincerely,



Janice M. Winfrey
City Clerk

/kb

Attachment

NEIGHBORHOOD AND COMMUNITY SERVICES STANDING COMMITTEE
THURSDAY, OCTOBER 1, 2009 – LINE ITEM NOS . 5 THRU 9

- (5) Status of Finance Department/Purchasing Division reso. autho. Contract No. 2798602 – 100% City Funding – To provide Wingle Playlot Improvements – CAASTI Contracting Service, Inc., 243 W. Congress, Ste. 1040, Detroit, MI 48226 – Contract Period: Upon Notice to Proceed – Until Completion of the Project – Contract Amount Not to Exceed: \$200,000.00. RECREATION (CONTRACT HELD BY COUNCIL MEMBER SHEILA M. COCKREL DURING RECESS WEEK OF 8-3-09)
- (6) Status of Finance Department/Purchasing Division reso. autho. Contract No. 2799257 – 100% City Funding – To provide Patton Park – 2009 Playground Improvements – CAASTI Contracting Service, Inc., 243 W. Congress, Ste. 1040, Detroit, MI 48226 – Contract Period: Upon Notice to Proceed – Until Completion of the Project – Contract Amount Not to Exceed: \$215,000.00. RECREATION (CONTRACT HELD BY COUNCIL MEMBER SHEILA M. COCKREL DURING RECESS WEEK OF 8-3-09)
- (7) Status of Finance Department/Purchasing Division reso. autho. Contract No. 2797973 – 100% City Funding – To provide Belle Isle-Scott Fountain Renovations – Grunwell-Cashero Co., 1041 Major, Detroit, MI 48217 – Contract Period: Upon Notice to Proceed – Until Completion of the Project – Contract Amount Not to Exceed: \$300,000.00. RECREATION (CONTRACT HELD BY COUNCIL MEMBER SHEILA M. COCKREL DURING RECESS WEEK OF 8-10-09)
- (8) Status of Finance Department/Purchasing Division reso. autho. Contract No. 2798606 – 100% City Funding – To provide Kern Playground Renovations – WCI Contractors Inc., 20210 Conner, Detroit, MI 48234 – Contract Period: Upon Notice to Proceed – Until Completion of the Project – Contract Amount Not to Exceed: \$275,000.00. RECREATION (CONTRACT HELD BY COUNCIL MEMBER SHEILA M. COCKREL DURING RECESS WEEK OF 8-10-09)
- (9) Status of Finance Department/Purchasing Division reso. autho. Contract No. 2798610 – 51% State Funding, 49% City Funding – To provide Butzel Playfield – Design/Build Renovations – KEO & Associates Inc., 18286 Wyoming, Detroit, MI 48221 – Contract Period: Upon Notice to Proceed – Until Completion of the Project – Contract Amount Not to Exceed: \$985,000.00. RECREATION (CONTRACT HELD BY COUNCIL MEMBER SHEILA M. COCKREL DURING RECESS WEEK OF 8-10-09)

WATSON: These are the recreation contracts. *We will ask for a motion for the Research & Analysis Division and the Fiscal Analysis Division to assist with line items 5 thru 9 in answering all of the questions that were raised by council members in the last session and at the Formal Session. We will bring them back next week.*

JONES: So moved.

NEIGHBORHOOD AND COMMUNITY SERVICES STANDING COMMITTEE
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WATSON: It has been properly moved and supported.

Denise Young
Assistant City Council Committee Clerk